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**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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SILVEX DESIGNS, INC.

Plaintiff,

ECF CASE

v.

07-cv-03740-UA-MDF

FAST FLEET SYSTEMS, INC. and QUEBECOR WORLD
LOGISTICS, INC. d/b/a/ Q.W. EXPRESS

Defendants,

v.

ONEBEACON INSURANCE COMPANY, STATION
OPERATOR SYSTEMS, INC., INTEGRITY TRANSPORT,
INC. and EDWARD EGAN, individually,

Third-Party Defendants.

**ONEBEACON INSURANCE COMPANY'S ANSWER TO DEFENDANT
FAST FLEET SYSTEM INC'S THIRD-PARTY COMPLAINT**

Third Party Defendant, OneBeacon Insurance Company ("OneBeacon") by its attorneys,
Barry N. Gutterman & Associates, P.C., for its Answer to the Third-Party Complaint of
Defendant Fast Fleet Systems, Inc. ("Fast") hereby responds and alleges as follows:

1-129. OneBeacon denies knowledge and information sufficient to form a belief as to the truth of the allegations set forth in paragraphs 129.

129. OneBeacon repeats and reallages its responses to paragraphs 1-129 as its response to paragraph 130.

130. OneBeacon denies the allegations in paragraph 131 of Fast's Third-Party Complaint, except admits that it issued a motor cargo liability policy to Fast.

131. OneBeacon denies the allegations in paragraph 132 of Fast's Third-Party Complaint, except admits that it has elected not to defend Fast in this action for the litigation pending in California.

132. OneBeacon denies the allegations in paragraph 133 of Fast's Third-Party Complaint.

133. OneBeacon denies the allegations in paragraph 134 of Fast's Third-Party Complaint.

**AS AND FOR A FIRST
AFFIRMATIVE DEFENSE**

135. Fast fails to state a claim upon which relief can be granted against OneBeacon.

**AS AND FOR A SECOND
AFFIRMATIVE DEFENSE**

136. Fast has failed to aver facts necessary to establish that OneBeacon breached a duty that resulted in plaintiff and/or Fast sustaining damages.

**AS AND FOR A THIRD
AFFIRMATIVE DEFENSE**

137. OneBeacon has the sole option to defend Fast in accordance with the policy of insurance.

**AS AND FOR A FOURTH
AFFIRMATIVE DEFENSE**

138. The shipment of silver sterling jewelry is not covered property under the terms of the policy of insurance.

**AS AND FOR A FIFTH
AFFIRMATIVE DEFENSE**

139. OneBeacon, pursuant to the policy of insurance, has an option to defend Fast. As such, OneBeacon properly elected not to defend Fast.

**AS AND FOR A SIXTH
AFFIRMATIVE DEFENSE**

140. Fast has failed to comply with all of the requirements in the policy of insurance. As such, Fast is not entitled to recover on its claim against OneBeacon.

**AS AND FOR A SEVENTH
AFFIRMATIVE DEFENSE**

141. OneBeacon's liability, which is denied, is limited by the terms and conditions in the policy of insurance.

**AS AND FOR AN EIGHTH
AFFIRMATIVE DEFENSE**

142. This court lacks subject matter jurisdiction over Fast's claim for the litigation pending in California as referred to in paragraph 65 of Fast's Third-Party Complaint.

WHEREFORE, Third-Party Defendant OneBeacon Insurance Company prays for judgment: (1) dismissing the Third-Party Complaint, with prejudice, together with costs, expenses, interest, and attorneys' fees; and (2) for such other and further relief as this Court deems just and proper.

Dated: New York, New York
January 4, 2008

By: /s/ Barry Gutterman
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